CLAIMS

For the convenience of the Examiner, all claims have been presented whether or not an amendment has been made. The claims have been amended as follows:

1.   **(Previously Presented)** A method of conducting a customer affinity program auction, comprising:

determining, using a central controller, a minimum opening bid price by:

determining an auction pricing discount factor based at least on merchandise being auctioned and the time period of the auction;

applying the auction pricing discount factor to a cost of the merchandise;

setting the minimum opening bid price in reward points based on the determined minimum opening bid price; and

receiving a bid of reward points from a customer using a computer terminal for the merchandise being offered in the auction.

2.   **(Currently Amended)** The method of claim 1, further comprising:

after the customer has logged into an auction site, querying the customer to determine whether the customer has previously registered for the customer affinity program auction;

if the customer has not previously registered for the customer affinity program auction, receiving registration information from the customer **through one or more customer interface devices connected to the central controller; and**

storing the registration information from the customer in a customer database maintained on a data storage device.

3.   **(Original)** The method of claim 2, wherein the customer registration information includes payment information.

4.   **(Currently Amended)** The method of claim 1, further comprising:

providing**, through one or more customer interface devices connected to the central controller,** a preview of the merchandise being offered in the auction **by retrieving**

merchandise information from a merchandise database maintained on a data storage device.

5.   **(Currently Amended)** The method of claim 1, further comprising

authenticating the customer **by comparing a user identification of the customer and a password of the customer against information stored in a customer database maintained on a data storage device**; and

if the customer is authenticated, allowing the customer to access**, through one or more customer interface devices connected to a reward program central controller through the central controller,** a reward points balance **stored in a reward point database maintained on the data storage device communicatively coupled to the reward program central controller**.

6.   **(Currently Amended)** The method of claim 5 further comprising

allowing the customer to purchase additional reward points**, through the one or more customer interface devices connected to the reward program central controller through the central controller,** for use in the auction.

7.   **(Original)** The method of claim 6, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.

8.   **(Currently Amended)** The method of claim 7 further comprising determining a cost for the reward points purchased and transmitting a request for payment for the cost of the reward points **based on information provided by a currency database maintained on the data storage device**.

9.   **(Original)** The method of claim 6, further comprising allowing a purchase of reward points on a floating basis.

10.   **(Currently Amended)** The method of claim 1, further comprising:

deducting reward points expended in the auction from a reward points balance **stored in a reward point database maintained on a data storage device communicatively coupled to the reward program central controller**.

11.   **(Original)** The method of claim 9, further comprising:

determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.

12.   **(Withdrawn)** A customer affinity program auction system, comprising:

a central controller constructed to receive a bid of reward points from a customer for merchandise being offered in the auction;

wherein said central controller is constructed to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based at least on the merchandise being auctioned and the time period of the auction.

13.   **(Withdrawn)** The system of claim 12, further comprising:

the central controller is constructed to receive registration information from the customer.

14.   **(Withdrawn)** The system of claim 13, wherein the customer registration information received by the central controller includes payment information.

15.   **(Withdrawn)** The system of claim 12, further comprising:

the central controller is constructed to provide a preview of the merchandise being offered in the auction.

16.   **(Withdrawn)** The system of claim 12, further comprising

the central controller is constructed to authenticate the customer and allow the customer to access a reward points balance.

17.   **(Withdrawn)** The system of claim 16 further comprising

the central controller is constructed to allow the customer to purchase additional reward points for use in the auction.

18.   **(Withdrawn)** The system of claim 17, wherein the central controller is constructed to allow the customer to purchase a specific number of reward points at an exchange rate.

19.   **(Withdrawn)** The system of claim 18 further comprising the central controller is constructed to determine a cost for the reward points purchased and transmits a request for payment for the cost of the reward points.

20.   **(Withdrawn)** The system of claim 17, wherein the central controller is constructed to allow the customer to purchase reward points on a floating basis.

21.   **(Withdrawn)** The system of claim 12, further comprising:

the central controller is constructed to deduct reward points expended in the auction from a reward points balance.

22.   **(Withdrawn)** The system of claim 20, further comprising:

the central controller is constructed to determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.

23.   **(Withdrawn)** Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module configured to receive a bid of reward points from a customer for merchandise being offered in the auction; and

a module configured to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based at least on the merchandise being auctioned and the time period of the auction.

24.   **(Withdrawn)** The computer executable code of claim 23, further comprising:

a module to receive registration information from the customer.

25.   **(Withdrawn)** The computer executable code of claim 24, wherein the customer registration information includes payment information.

26.   **(Withdrawn)** The computer executable code of claim 23, further comprising:
a module to provide a preview of merchandise being offered in the auction.

27.   **(Withdrawn)** The computer executable code of claim 23, further comprising
a module to authenticate the customer; and
a module to allow the customer to access a reward points balance.

28.   **(Withdrawn)** The computer executable code of claim 27 further comprising
a module to allow the customer to purchase additional reward points for use in the auction.

29.   **(Withdrawn)** The computer executable code of claim 28, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.

30.   **(Withdrawn)** The computer executable code of claim 29 further comprising a module to determine a cost for the reward points purchased and a module to transmit a request for payment for the cost of the reward points.

31.   **(Withdrawn)** The computer executable code of claim 28, further comprising allowing a purchase of reward points on a floating basis.

32.   **(Withdrawn)** The computer executable code of claim 23, further comprising:
a module to deduct reward points expended in the auction from a reward points balance.

33.   **(Withdrawn)** The computer executable code of claim 31, further comprising:

a module to determine a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and a module to transmit a request for payment for the cost of the reward points.

34.   **(Previously Presented)** A method of conducting a customer affinity program auction comprising:

determining, using a central controller, a minimum opening bid price by:

determining an auction pricing discount factor based at least on merchandise being auctioned and the time period of the auction;

applying the auction pricing discount factor to a cost of the merchandise;

setting the minimum opening bid price in reward points based on the determined minimum opening bid price.

35.   **(Original)** The method of claim 34, further comprising:
determining a bid increment.

36.   **(Withdrawn)** A customer affinity program auction system comprising:
a central controller constructed to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based at least on merchandise being auctioned and the time period of the auction.

37.   **(Withdrawn)** The system of claim 36, further comprising:
the central controller is constructed to determine a bid increment.

38.   **(Withdrawn)** Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module configured to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based at least on merchandise being auctioned and the time period of the auction.

39.   **(Withdrawn)** The computer executable code of claim 38, further comprising:

a module to determine a bid increment.

40.   **(Previously Presented)** A method of conducting a customer affinity program auction comprising:

determining, using a central controller, a minimum opening bid price by:

determining an auction pricing discount factor based at least on merchandise being auctioned and the time period of the auction;

applying the auction pricing discount factor to a cost of the merchandise;

setting the minimum opening bid price in reward points based on the determined minimum opening bid price; and

receiving a bid in cash from a customer using a computer terminal for the merchandise being offered in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

41.   **(Original)** The method of claim 40, further comprising:

receiving registration information from the customer.

42.   **(Original)** The method of claim 41, wherein the customer registration information includes payment information.

43.   **(Original)** The method of claim 40, further comprising:

providing a preview of the merchandise being offered in the auction.

44.   (Original) The method of claim 40, further comprising

authenticating the customer; and

allowing the customer to access a reward points balance.

45.   (Original) The method of claim 40 wherein the reward points are converted to a cash value using an exchange rate.

46.   (Withdrawn) A customer affinity program auction system, comprising:

a central controller constructed to receive a bid in cash from a customer for merchandise being offered in the auction,

wherein said central controller is constructed to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based at least on the merchandise being auctioned and the time period of the auction, and

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

47.   (Withdrawn) The system of claim 46, further comprising:

the central controller is constructed to receive registration information from the customer.

48.   (Withdrawn) The system of claim 47, wherein the customer registration information includes payment information.

49.   (Withdrawn) The system of claim 46, further comprising:

the central controller is constructed to provide a preview of the merchandise being offered in the auction.

50.   (Withdrawn) The system of claim 46, further comprising

the central controller is constructed to authenticate the customer and allow the customer to access a reward points balance.

51.   **(Withdrawn)** The system of claim 46 wherein the central controller is constructed so that the reward points are converted to a cash value using an exchange rate.

52.   **(Withdrawn)** Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module configured to receive a bid in cash from a customer for merchandise being offered in the auction, and

a module configured to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based at least on the merchandise being auctioned and the time period of the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

53.   **(Withdrawn)** The computer executable code of claim 52, further comprising:
a module to receive registration information from the customer.

54.   **(Withdrawn)** The computer executable code of claim 53, wherein the customer registration information includes payment information.

55.   **(Withdrawn)** The computer executable code of claim 52, further comprising:
a module to provide a preview of the merchandise being offered in the auction.

56.   **(Withdrawn)** The computer executable code of claim 52, further comprising
a module to authenticate the customer; and
a module to allow the customer to access a reward points balance.

57.   **(Withdrawn)** The computer executable code of claim 52 wherein the module converts reward points to a cash value using an exchange rate.